



January 31, 2007

HOUSE BILL No. 1281

DIGEST OF HB 1281 (Updated January 29, 2007 9:53 am - DI 77)

Citations Affected: IC 5-22; noncode.

Synopsis: Bioproducts initiative. Requires governmental bodies and state educational institutions to purchase biobased products under certain circumstances. Establishes the Indiana biobased products advisory commission.

Effective: July 1, 2007.

**Koch, Grubb, Pflum, Lehe,
Knollman**

January 11, 2007, read first time and referred to Committee on Agriculture and Rural Development.
January 30, 2007, reported — Do Pass.

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HB 1281—LS 7061/DI 75+



January 31, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1281

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-22-1-2, AS AMENDED BY P.L.184-2005,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2007]: Sec. 2. Except as provided in this article, this article
4 does not apply to the following:

- 5 (1) The commission for higher education.
- 6 (2) A state educational institution. However, **IC 5-22-5-9 and**
7 **IC 5-22-15 applies apply** to a state educational institution.
- 8 (3) Military officers and military and armory boards of the state.
- 9 (4) An entity established by the general assembly as a body
10 corporate and politic. However, IC 5-22-15 applies to a body
11 corporate and politic.
- 12 (5) A local hospital authority under IC 5-1-4.
- 13 (6) A municipally owned utility under IC 8-1-11.1 or IC 8-1.5.
- 14 (7) Hospitals established and operated under IC 16-22-1 through
15 IC 16-22-5, IC 16-22-8, IC 16-23-1, or IC 16-24-1.
- 16 (8) A library board under IC 36-12-3-16(b).
- 17 (9) A local housing authority under IC 36-7-18.

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(10) Tax exempt Indiana nonprofit corporations leasing and operating a city market owned by a political subdivision.

(11) A person paying for a purchase or lease with funds other than public funds.

(12) A person that has entered into an agreement with a governmental body under IC 5-23.

(13) A municipality for the operation of municipal facilities used for the collection, treatment, purification, and disposal in a sanitary manner of liquid and solid waste, sewage, night soil, and industrial waste.

SECTION 2. IC 5-22-5-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 9. (a) This section applies to a purchase of supplies by any of the following:**

(1) A governmental body.

(2) A state educational institution.

(b) As used in this section, "biobased product" refers to an item designated by the United States Department of Agriculture as a biobased product for federal procurement under Section 9002 of the federal Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102).

(c) A governmental body or a state educational institution shall, whenever possible, purchase biobased products if all of the following apply:

(1) Biobased products are available at the time of the purchase.

(2) It is economically feasible to purchase biobased products.

(3) The purchase of biobased products is not inappropriate because of:

(A) federal regulations or policy in matters involving the federal government; or

(B) the special requirements of scientific uses.

SECTION 3. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "biobased product" refers to a product:**

(1) produced from plant or animal sources; and

(2) that would otherwise be produced from petroleum based sources.

The term does not include food, feed, or fuel and other energy related products.

(b) As used in this SECTION, "commission" refers to the Indiana biobased products advisory commission established by this SECTION.

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(c) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1.

(d) The Indiana biobased products advisory commission is established.

(e) The commission consists of eleven (11) members appointed by the governor.

(f) Not more than six (6) commission members may be members of the same political party.

(g) When making appointments to the commission, the governor shall appoint individuals to represent the following interests:

- (1) Agriculture.
- (2) Business.
- (3) Chemical manufacturing.
- (4) Environmental organizations.
- (5) Forestry.
- (6) Higher education research.

The governor may appoint individuals representing other interests that the governor considers to be related to the commission's purpose.

(h) The governor shall appoint one (1) commission member to be the chair of the commission.

(i) The commission shall meet at the call of the chair.

(j) Each commission member who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency. Each commission member who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(k) Each member of the commission who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the

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legislative services agency.

(l) Each member of the commission who is a member of the general assembly is a nonvoting member.

(m) The affirmative votes of a majority of the voting members appointed to the commission are required for the commission to take action on any measure, including final reports.

(n) The commission shall do the following:

(1) Recommend short term and long term policy and commercialization strategies to the governor and the general assembly, outlining overall state goals, actions, and strategies to:

(A) promote the development and use of biobased products in an environmentally sound manner; and

(B) position Indiana as a national leader in manufacturing biobased products.

(2) Propose the means by which the goals recommended under subdivision (1) can best be achieved through federal and state programs, integrated planning, and regional cooperation.

(3) Identify mechanisms to encourage and support private sector initiatives to develop biobased products.

(4) Advise on policies at the state and national level to support:

(A) development of biobased products; and

(B) development and support of new and expanding biobased product markets.

(o) The commission shall report its findings and recommendations to the governor and, in an electronic format under IC 5-14-6, to the general assembly.

(p) The commission's report under subsection (o) must do the following:

(1) Cover a broad spectrum of biobased products.

(2) Include the following:

(A) A description of priorities for research, development, demonstration, and investments in biobased products.

(B) A current list of federal research programs and funding relating to biobased products.

(C) Proposals for using the existing authority of state government to encourage the adoption and use of biobased products.

(D) Any recommendations for legislation to modify existing authority or create new authority for state government to

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- 1 encourage the adoption and use of biobased products.
2 (q) The department shall provide staff and administrative
3 support to the commission.
4 (r) The department shall pay the commission's expenses from
5 appropriations made for the department's operations.
6 (s) This SECTION expires July 1, 2008.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture and Rural Development, to which was referred House Bill 1281, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

PFLUM, Chair

Committee Vote: yeas 12, nays 0.

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